

## Filing at a Glance

Company: Austin Mutual Insurance Company

Product Name: Supermarket/Grocers Program SERFF Tr Num: MEDJ-125241301 State: Arkansas

TOI: 26.0 Burglary & Theft

SERFF Status: Closed

State Tr Num: AR-PC-07-025599

Sub-TOI: 26.0001 Commercial Burglary & Theft Co Tr Num: AMJ-AR-2007-CRR01 State Status:

Filing Type: Rate

Co Status:

Reviewer(s): Betty Montesi,  
Llyweyia Rawlins, Brittany Yielding

Authors: Melanie French, John  
Spain, Terrel Madsen

Disposition Date: 07-30-2007

Date Submitted: 07-26-2007

Disposition Status: Exempt from  
Review

Effective Date Requested (New): On Approval

Effective Date (New): 07-30-2007

Effective Date Requested (Renewal):

Effective Date (Renewal):

## General Information

Project Name:

Status of Filing in Domicile: Not Filed

Project Number:

Domicile Status Comments: Minnesota is not in  
the trade area for the Supermarket/Grocery  
Stores Program at this time. Territory is  
currently limited to AR, IL, KS, MO & OK.

Reference Organization: NONE

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 07-30-2007

State Status Changed: 07-27-2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Austin Mutual Insurance Company is entering the supermarket/grocers insurance market in several Midwestern states to aid retailers in securing property and liability coverages for their operations. Beginning in March of 2007, another insurer that wrote a significant block of business for grocery retailers began non-renewing its entire block of retail grocery/supermarket business coverage. In the absence of that insurer, only a few specialty carriers remain.

Austin Mutual is partnering with a Kansas City-area based general agency (Med James, Inc. MJJ) to underwrite and service this business. MJJ has employed several insurance professionals previously associated with the carrier that non-renewed its book of business. Accordingly, significant knowledge of coverage, underwriting and service can be replicated for Austin Mutual.

This submission represents the initial filing of Austin Mutual for this business segment. The coverage is designed to closely recreate a product which the retailers desire and have purchased historically

Commercial Crime forms and manuals are independent filings that essentially recreate the coverage provided by the non-renewing carrier.

## Company and Contact

### Filing Contact Information

John Spain, spainj@medjames.com  
8595 College Blvd, Ste. 200 (913) 663-5500 [Phone]  
Overland Park, KS 66210 (913) 663-2014[FAX]

### Filing Company Information

Austin Mutual Insurance Company CoCode: 13412 State of Domicile: Minnesota  
10 Second Street NE, Suite 300 Group Code: Company Type: Property/Casualty  
Minneapolis, MN 55413-2282 Group Name: State ID Number:  
(612) 378-8600 ext. [Phone] FEIN Number: 41-0134100  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$100.00  
Retaliatory? No  
Fee Explanation: \$100 for each filing

Make check payable to "The State Insurance Department Trust Fund".  
Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
28561	\$100.00	07-26-2007

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Llyweyia Rawlins	07-30-2007	07-30-2007

## Disposition

Disposition Date: 07-30-2007

Effective Date (New): 07-30-2007

Effective Date (Renewal):

Status: Exempt from Review

Comment: Per Arkansas Code 23-67-206: Property and casualty insurance for commercial risk, excluding workers compensation, employers liability, and professional liability insurance are exempted from rate and rule filing and review. (see actual code site for details)

Rate data does NOT apply to filing.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Authority Letter	Accepted for	No
		Informational Purposes	
Rate	Crime Manual Pages	Accepted for	No
		Informational Purposes	

## Rate Information

Rate data does NOT apply to filing.

## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	Crime Manual Pages	AMJ-CR All	New	AMJ CR ALL.pdf

**AUSTIN MUTUAL INSURANCE COMPANY  
COMMERCIAL CRIME COVERAGES  
MANUAL PAGE  
GROCERS PROGRAM**

Eligibility: Retail Grocery and related operations

Coverages: Crime - Money and Securities, Forgery, Employee Theft (including Employee Benefit Plan Administration), and Premises and Transit Theft

Rates (per \$1,000 of limits insured):

Crime: \$30.00

Base Rate per \$1,000 includes \$50,000 limits for Employee Theft.

Additional Limits for Employee Theft: \$1.00 per \$1,000 of Additional Limits

Deductibles:

<u>Deductible per Loss</u>	<u>Factor</u>
\$250	1.35
\$500	1.15
\$1,000	1.00
\$2,500	0.85
\$5,000	0.65
\$10,000	0.60

Schedule Rating and Expense Modification: Refer to Plans

Rating Formula:

exposure (per \$1,000 value insured) x rate (+ additional limits for employee theft, if any) = manual premium

manual premium x deductible factor = adjusted premium

adjusted premium x schedule rating and expense modification factor = final premium

AMJ -CR -R1

Effective: 08/2007

AR, IL, KS, MO, OK



**AUSTIN MUTUAL INSURANCE COMPANY  
COMMERCIAL CRIME SCHEDULE RATING PLAN  
AND EXPENSE MODIFICATION PLAN**

**SCHEDULE RATING TABLE**

The company rates for all risks shall also be modified in accordance with the following schedule rating table to reflect such characteristics of the risk as are not reflected in the company rates subject to a maximum modification of +/-25%:

RISK VARIATIONS	RANGE OF MODIFICATIONS			DEBIT
	CREDIT			
A. Premises - condition, care	5%	to		5%
B. Location	7%	to		7%
C. Personnel - selection, training and supervision	6%	to		6%
D. Management - cooperation in safeguarding insured property	7%	to		7%

A worksheet documenting the application of this plan will be maintained in the company files for three years. The plan will not duplicate factors included in the base rates.

**EXPENSE MODIFICATION**

The premium may be adjusted to reflect a reduction in expenses up to -10%.

AMJ -CR -SR1

Effective: 08/2007  
IL, KS, MO, OK

**AUSTIN MUTUAL INSURANCE COMPANY  
COMMERCIAL CRIME SCHEDULE RATING PLAN  
ARKANSAS EXCEPTION PAGE**

**SCHEDULE RATING TABLE**

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D. Management - cooperation in safeguarding insured property	7%	to		7%

A worksheet documenting the application of this plan will be maintained in the company files for three years. The plan will not duplicate factors included in the base rates.

AMJ -CR -SR1-AR

Effective: 08/2007

**AUSTIN MUTUAL INSURANCE COMPANY  
COMMERCIAL CRIME SCHEDULE RATING PLAN  
AND EXPENSE MODIFICATION PLAN**

**SCHEDULE RATING WORKSHEET**

Name of Insured: \_\_\_\_\_

Policy Number: \_\_\_\_\_ Policy Term: \_\_\_\_\_

State: \_\_\_\_\_

RISK VARIATIONS	ALLOWABLE MODIFICATION	DEBIT/CREDIT APPLIED	BASIS OF MODIFICATION
A. Premises - condition, care	+/-5%	_____	_____
B. Location	+/-7%	_____	_____
C. Personnel - selection, training and supervision	+/-6%	_____	_____
D. Management - cooperation in safeguarding insured property	+/-7%	_____	_____
TOTAL	+/-25%	=====	
EXPENSE REDUCTION (IF ANY, MAX -10%)		=====	

Note: Expense Reduction not applicable in Arkansas

Date: \_\_\_\_\_ Underwriter: \_\_\_\_\_

AMJ -CR -SRWS

Effective: 08/2007

AR, IL, KS, MO, OK

## Supporting Document Schedules

**Satisfied -Name:** Authority Letter

**Review Status:**

Accepted for Informational 07-30-2007  
Purposes

**Comments:**

**Attachment:**

AR Filing Letter.pdf



## AUSTIN MUTUAL INSURANCE COMPANY

Street Address: 10 Second Street NE, Suite 300, Minneapolis, MN 55413-2282

Mailing Address: PO Box 401, Minneapolis, MN 55440-0401

612-378-8600 Fax: 612-378-8653

May 14, 2007

HONORABLE JULIE BENAFIELD BOWMAN  
COMMISSIONER OF INSURANCE  
ARKANSAS INSURANCE DEPARTMENT  
1200 WEST THIRD STREET  
LITTLE ROCK AR 72201-1904

Re: Filing Authority  
Grocer's Program

With this letter, Austin Mutual Insurance Company authorizes Med James, Inc. to prepare and submit on its behalf rate, rule and form filings for use with its Grocer's Program.

This authorization remains in effect until amended or terminated.

Please contact me should you have any questions at 612-378-8613 or  
[tmadsen@autinmutual.com](mailto:tmadsen@autinmutual.com).

Thank you.

Sincerely,

Terrel Madsen, CPCU, ARe  
VP – Compliance and Product Development